produced by them and approximate project cost, projectwise and partywise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SREEDHARAN): Information is being compiled and will be laid on the Table of the House.

Objectives etc. of Small Industries Development Bank of India

1686. SHRI ASHOK NATH VERMA: Will the Minister of FINANCE be pleased to state:

(a) what are the objectives, special features, forms of assistance, norms of assistance, term loan, working capital, the maximum financial assistance for purchase of land and construction of factory building, promotors contribution, moratorium and repayment period etc. stipulated by the newly formed Small Industries Development Bank of India; and

(b) whether IDBI has designated/ transferred its refinance assistance scheme to Small Industries Development Bank of India for seed capital assistance, special capital assistance, assistance for quality control, equity support etc. which is already in operation for Small Scale Sector under IDBI refinance scheme moratorium and repayment period, rate of interest, maximum lending assistance and if so, what are the categorywise details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) Small Industries Development Bank of India (SIDBI) has been set up as a principal financial institution for promotion, financing and development of industries in the small scale sector and to co-ordinate functions of all the institutions engaged in similar activities. It aims at strengthening and broad-basing the existing institutional arrangement to meet the requirement of the industry in the small, tiny and decentralised sector, besides giving speical attention to the export-oriente units.

SIDBI has taken over operations of th schemes of assistance including th scheme of refinance assistance hithert operated by IDBI through the Stat Financial Corporations, State Industria Development Corporations and banks s far as they relate to small scale industries The norms and parameters of assistanc by SIDBI are the same as thos stipulated by IDBI earlier in so far as th assistance to units in SSI sector i concerned.

(b) Small Industries Developmen Bank of India (SIDBI) has reported tha at present it is operating all schemes o assistance by way of refinance to eligibl institutions which were being operatec earlier by Industrial Development Banl of India (IDBI) in respect of small scal industries. This includes Seed Capita Assistance Scheme, Assistance fo Quality Control Equipment, Nationa Equity Fund Scheme, etc. The terms o sanction of assistance under these schemes at present are the same as they were under IDBI's schemes.

The Special Capital Assistance grantec to SSI units by State Financia Corporation out of the Special Capita Contributed by IDBI and State Governments would continue to be available.

Small Industries Development Bank of India

1687. SHRI ASHOK NATH VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether newly formed Small Industries Development Bank of India had asked the commercial banks not to insist on any security or collateral guarantee under its financial assistance except economic feasibility of the project, hypothecation of assets created out of its financial assistance and comprehensive insurance of the project cost etc., and

(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Small Industries Development Bank of India (SIDBI) has reported that since the eligible institutions/banks under SIDBI's refinance scheme assume full credit risk in respect of loans extended by them to SSI units, it has not stipulated any security or margin under its refinance schemes. The eligible institutions and banks are free to obtain security in respect of their term loans as deemed fit. Eligible institutions normally obtain a first charge on the assets of the borrowing SSI units by way of equitable mortgage of fixed assests and hypothecation of movable assets. These assets are usually comprehensively insured against risks such as fire, riot, theft etc.

As regards collateral security, RBI has issued guidelines to commercial banks laying down that in respect of advances over Rs. 25,000, collateral security by way of immovable properties or third party guarantee may be asked for only in cases where primary security is inadequate or for other valid reasons and not as a matter of routine.

Input Data in respect of consumption norms

1688. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry are accepting the input data based on the recommendations of DGTD in respect of consumption norms;

(b) whether it is a fact that DGTD consumption norms are not based on actuality but are not theoretical; and

(c) if so, what steps are being taken for final certification from Cost Accounts Branch of his Ministry in respect of consumption norms?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) In respect of studies carried out by the Cost Accounts Branch of the Ministry of Finance for Cost/price determination, consumption norms are arrived at after taking into account several factors such as actual consumption pattern, design norms as per project report etc. Assistance of DGTD in determining consumption norms is sought for only in cases wherever considered absolutely necessary. The input data are based upon the consumption norms evolved by the Cost Accounts Branch in each case.

Complaints against functioning of BIFR

1689. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that complaints against the functioning of Board for Industrial and Financial Reconstruction are growing; and

(b) if so, what steps are proposed to be taken to remove the cause of complaints?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Certain observations regarding time taken in disposal of cases by BIFR have been made and suggestions from various quarters received recommending changes in the Sick Industrial Companies (Special Provisions) Act, 1985. The suggestions for changes in the Act would be considered whenever amendments to this Act are taken up.

Alleged irregularities by General Manager of Ferroscrap Nigam Limited

1690. SHRI RAM AWADHESH SINGH: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the General Manager of Ferroscrap Nigam Limited, a Government of India Undertaking under his Ministry with ulterior motive purchased five Magnetic Separators costing about four crore of rupees which were not fit for operation;

(b) whether it is also a fact that the jobs of regular nature which could easily